District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy Minerals and Natural Resources Department

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-141 Revised August 24, 2018 Submit to appropriate OCD District office

Incident ID	nAB1922059305
District RP	2RP-5566
Facility ID	fAB1922058078
Application ID	pAB1922058193

Release Notification

VTATT-190729-C-1410

Responsible Party

Responsible Party Lucid Energy Delaware, LLC.			OGRID	372422			
Contact Nam	tact Name Michael Gant			Contact	Telephone g	575 748 4555	
Contact emai	^{il} Mg	Mgant@lucid-energy.com			# (assigned by OCI	nAB1922059305	
Contact mailing address 201 S. 4th St., Artesia, NM 88210				M 88210			
		-					
			Location	of Release	Source		
Latitude 32	.248196°			Longitude	Longitude -103.972532°		
			(NAD 83 in dec	rimal degrees to 5 de			
Site Name Juniper Pipeline release			Site Typ	Site Type Natural gas gathering			
Date Release Discovered 7/15/2019				API# (if applicable)			
Unit Letter	Section	Township	Range	County			
F	3	24S	29E	Eddy			
Surface Owner: State Federal Tribal Private (Name: Bureau of Land Management							
Surface Owner	r: State	✓ Federal 📘 Ir	ibal Private (A	Name: Barbaa	or Earla Maria)	
			Nature and	l Volume of	Release		
	Mataria	I(a) Dalangad (Salant al	l that amulti and attach	aalaulatiana an anaai	in instiffaction for t	no volumos maridad halarri)	
Material(s) Released (Select all that apply and attach calculations or Crude Oil Volume Released (bbls)			calculations of speci	Volume Recovered (bbls)			
✓ Produced Water Volume Released (bbls) 20 bbls			bls	Volume Rec	Volume Recovered (bbls)		
Is the concentration of dissolved chloride in the			Yes 1	Yes No			
produced water >10,000 mg/l?							
Condensate Volume Released (bbls)			Volume Rec	overed (bbls)			
✓ Natural Gas Volume Released (Mcf) 1.5 MMcf (1500mc			(f) Volume Rec	overed (Mcf)			
Other (describe) Volume/Weight Released (provide units)		units)	Volume/We	ight Recovered (provide units)			

Cause of Release

The release was caused by flow erosion of the Juniper 8" polyethylene gas line. The release of gas was then ignited by nearby electrical power lines causing a fire which melted through the now exposed produced water line. The fire melted the produced water line and released approximately 20 bbls of produced water.

Form C-141 Page 2

State of New Mexico Oil Conservation Division

Incident ID	nAB1922059305
District RP	2RP-5566
Facility ID	fAB1922058078
Application ID	pAB1922058193

Was this a major release as defined by	If YES, for what reason(s) does the respon This is a major release based on the volum	sible party consider this a major release? e of natural gas and produced water released.					
19.15.29.7(A) NMAC?	,	J .					
☑ Yes ☐ No							
If VES, was immediate no	atice given to the OCD? By whom? To wh	om? When and by what means (phone, email, etc)?					
If YES, was immediate notice given to the OCD? By whom? To whom? When and by what means (phone, email, etc)? Immediate notification was provided to OCD by Kerry Egan to Rob Hamlet/ Victoria Venegas/ Mike Bratcher in District 2 on Monday 7/15/19 via email.							
Initial Response							
The responsible p	party must undertake the following actions immediately	unless they could create a safety hazard that would result in injury					
☐ The source of the rele	ase has been stopped.						
☑ The impacted area has	s been secured to protect human health and	he environment.					
Released materials ha	ve been contained via the use of berms or d	kes, absorbent pads, or other containment devices.					
✓ All free liquids and re	coverable materials have been removed and	managed appropriately.					
	l above have <u>not</u> been undertaken, explain v	•					
The affected area has been be	vac truck immediately following shut down of surn arricaded with fencing to prevent entrance by lives	ounding wells and power lines. tock and the public.					
Per 19.15.29.8 B. (4) NMAC the responsible party may commence remediation immediately after discovery of a release. If remediation has begun, please attach a narrative of actions to date. If remedial efforts have been successfully completed or if the release occurred within a lined containment area (see 19.15.29.11(A)(5)(a) NMAC), please attach all information needed for closure evaluation.							
I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to OCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the OCD does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to groundwater, surface water, human health or the environment. In addition, OCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.							
Printed Name: Michael	Gant	Title: Environmental Field Coordinator					
Signature:		Date: 7.29.19					
email: mgant@lucid-	energy.com	Telephone: 314 330 7876					
OCD Only							
Received by: Amal	ia Bustamante	Date: 8/8/2019					